



## PROFILE

**Capital:** Washington, D.C.

**Population:** 317.29 million (2013)

**Language:** English

**Government:** Federal Republic

**Head of State & Government:**  
President Barack Obama (D) Second term (Term expires January 2017)

Two consecutive term limit absolute

**Currency:** U.S. Dollars (USD)  
\$1 CDN = \$0.82 USD (June 2015)

**Gross Domestic Product (GDP):**  
US\$17.1 trillion (2014 estimate)

**Per Capita Income:** US\$53,750 (2013)

**GDP growth rate:** 2.2% (2013)

**Inflation:** 0.8% (December 2014)

**Unemployment:** 5.5% (May 2015)

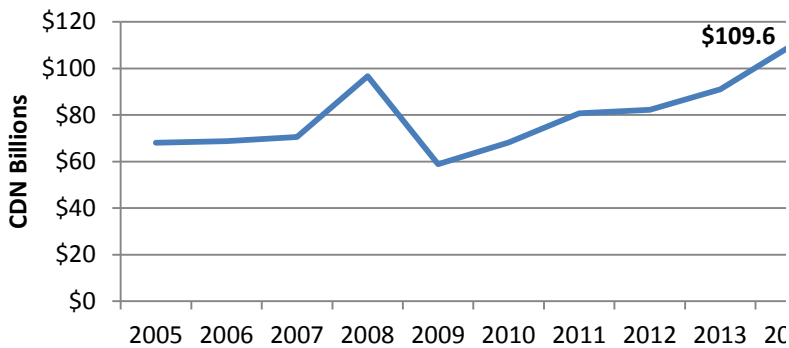
## RELATIONSHIP OVERVIEW

- The U.S. is by far Alberta's largest trading partner. Annual merchandise exports to the U.S. have averaged approximately \$77.5 billion a year over the past 5 years.
- Alberta has close historic ties with Western and Midwestern states, from where many early pioneers immigrated to southern Alberta in the early 20<sup>th</sup> century.
- The U.S. has been an important source of investment and technology in the development of Alberta's energy industry since the 1940s.
- Growth of Alberta's energy sector, energy trade liberalization under NAFTA, and rapid development of the oil sands have made Alberta an integral part of U.S. energy security.
- Alberta's engagement with the U.S. focuses on secure and enhanced market access, and cooperation to address common problems and avoid disputes.
- Alberta was the first province to promote free trade with the U.S. and has benefited greatly. Alberta exports to the U.S. increased dramatically under free trade.

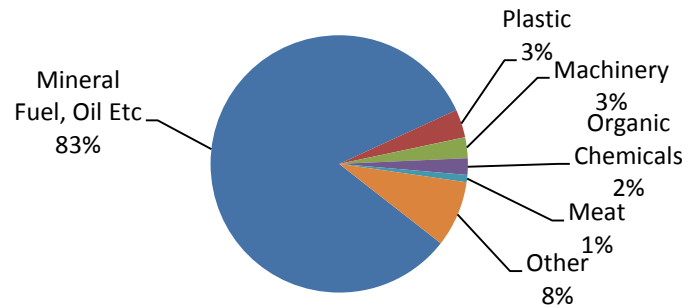
## TRADE AND INVESTMENT

- In 2014, Alberta's exports to the U.S. totaled \$109.6 billion, an increase of almost 20% from 2013.
- Alberta's exports to the U.S. accounted for 91% of total provincial exports in 2014.
- Between 2009 and 2013, the U.S. accounted for 86.7% of Alberta's global exports.
- 17 of Alberta's top 20 export destinations worldwide are U.S. states.
- Alberta exports more to each of six U.S. states (Illinois, Washington State, Minnesota, Ohio, Michigan and Texas) than it does to China, the largest export destination outside of the U.S.
- Energy accounts for 81% of Alberta's exports to the U.S. While the values of crude oil exports have risen, the value of natural gas exports has fallen, principally due to lower prices.
- Other important export sectors are (2008-2012 annual average): plastics (\$2.7 billion), machinery (\$2.2 billion), organic chemicals (\$1.4 billion), meat (\$760 million), woodpulp (\$658 million) and fertilizers (\$637 million).

## Alberta's Domestic Exports to the U.S. (2005-2014)



## Alberta's Domestic Exports to the U.S. (2010-2014 Average)



- The U.S. is Alberta's largest investment partner. The U.S. accounts for 55% of foreign direct investment into Canada—six times more than the next largest investor country.
- The Canadian Association of Petroleum Producers has identified more than 1900 U.S. based companies that supply equipment, parts and services used in the development of Alberta's oil sands.

### ENERGY & NATURAL GAS

- It is estimated that there will be \$25 billion of capital investment in the oil sands in 2015. U.S. companies are significant investors and suppliers of parts, equipment and services in Alberta's oil sands.
- Because of the close economic interrelationship between Canada and the U.S., 90 cents of every dollar that is spent on imported oil from Alberta returns to the U.S. economy in the form of U.S. exports to Canada. This compared to 34 cents for the OPEC average. Oil sands development is projected to generate \$521 billion in economic activity in the U.S. over the next 25 years.
- A study by the Canadian Energy Research Institute (CERI) estimated that between 2011 and 2035 the development of Alberta's oil sands will contribute an average of between \$5.7 and \$15.3 billion per year to the economy of the U.S. and support an average of between 62,750 and 168,360 jobs per year, with these workers earning between \$2.7 and \$7.3 billion per year.
- The range of these forecasts depends on the ability of growing Alberta production to find pipeline access to market.
- Alberta is also the largest supplier of natural gas to the U.S., with the majority going to the Midwest.

- The U.S. has an estimated 97.5 trillion cubic feet (tcf) of shale gas reserves (2010) which could impact natural gas imports in the future. In 2010, the U.S. produced about 5.0 tcf of shale gas, accounting for 23% of total natural gas production. It is estimated that by 2035, almost 50% of natural gas produced in the U.S. will come from shale reserves.
- In 2013, Alberta exported approximately 2.37 tcf of natural gas to the U.S. The Alberta gas pipeline hub transports approximately 13.5 billion cubic feet per day (Bcf/d) of Alberta and Western Canada Sedimentary Basin natural gas to the North American pipeline system and would be the key to delivering Alaskan gas to southern markets.
- Alberta's exports of crude oil to the U.S. were valued at \$64 billion in 2013.
- Alberta currently accounts for 26% of total U.S. oil imports in 2013—by far the most of any supplier. Saudi Arabia accounts for 17%, Mexico for 11%, Venezuela for 10%, Iraq for 4%, Nigeria for 3%, and Angola for 3%. The rest of Canada provides an additional 7% of U.S. crude oil imports.
- Alberta's oil sands produced 1.5 million barrels per day in 2012 and oil sands production is projected to increase to 3.3 million barrels per day by 2019, presenting significant opportunities for additional exports to the U.S.

### INDUSTRY & TECHNOLOGY

- Oil sands investment provides significant supply chain opportunities for Canada's trading partners. The Conference Board of Canada has predicted that the U.S. will supply over \$65 billion in manufactured equipment for the oil sands by 2035.
- Alberta is Canada's leading producer of petrochemicals, with \$13 billion in annual sales.
- Alberta is also home to two of the world's largest ethane cracking facilities and to global companies such as Dow, Nova, Shell and Williams Energy.

- The Alberta government has established strategic technology partnerships with leading U.S.-based technology companies to accelerate technology commercialization opportunities in Alberta.

### AGRICULTURE

- The U.S. is Alberta's largest trading partner for agriculture and food products accounting for 40.2% (\$3.9 billion) of Alberta's total agri-food exports in 2014 (\$9.7 billion - 11.6% higher than in 2013).
- The U.S. is Alberta's largest market for live cattle and hogs (excluding purebred), and accounts for almost 68% of Alberta's beef exports by volume to all markets.
- Alberta supports free trade in agriculture and will work toward a continued collaborative effort between the U.S. and Canada to facilitate the flow of goods and services across our shared border.
- Alberta continues to be concerned over increasing border fees, inspections, food safety measures that slow trade and increase costs. Specifically, U.S. Country of Origin Labeling (COOL) continues to impede Canada's live cattle export to the U.S.; costing the cattle industry \$640 million and the swine industry \$500 million annually.
- U.S. consumers are willing to pay for quality products and Alberta is well positioned to meet the growing demand for private label, ready meals, meats, natural, specialty and functional foods in the region.
- The Canadian and Alberta governments undertook extensive advocacy efforts in 2013-14 to influence the U.S. to comply with their World Trade Organization obligations regarding COOL. As a result of these efforts, resolutions in support of this were passed by the following organizations: State Agriculture and Rural Leaders (SARL), Council of State Governments (CSG) National, CSG Midwest, CSG West, Ports-to-Plains Alliance, Canadian/American Border Trade Alliance, and the Pacific NorthWest Economic Region (PNWER).

- In 2015 Alberta continues to support the federal government's efforts to have U.S. Congress repeal COOL legislation in order to comply with WTO trade obligations or face trade retaliatory measures.
- The May 18, 2015 WTO ruling on U.S. COOL (that the legislation continues to discriminate against Canada's livestock industry) further supports Canada's position on COOL.

## TRANSPORTATION

- Alberta recognizes that effective intermodal transportation links to U.S. markets are vital to provincial prosperity.
- Rail is playing an increasingly important role in transporting crude oil, with National Energy Board data showing a nine-fold increase in crude by rail shipments between early 2012 and late 2013. Crude by rail exports were approximately 163,000 barrels per day in the second quarter of 2014.
- Alberta crude is being shipped by rail to Axon's Paulsboro refinery and to Kinder Morgan's Perth Amboy terminal.
- Alberta is working with several U.S. jurisdictions of the Ports-to-Plains Alliance which the province joined in 2009, to forge new trade links and ultimately to develop new markets for Alberta products.

## FORESTRY

- The Softwood Lumber Agreement now in force between Canada and the U.S. constrains Alberta exports but is preferable to ongoing costly and uncertain trade litigation.

## IMMIGRATION & LABOUR

- Between 2010 and 2014, 6,982 immigrants from the U.S. chose Alberta as their destination. Approximately 49% were economic immigrants, largely occupied as University Professors and Lecturers, Civil Engineers, and Mechanical Engineers.
- During the same period, 37,080 foreign workers from the U.S. were issued a permit to work in Alberta.
- Alberta recognizes specific credentials issued by U.S. regulatory authorities for the boilermaker, electrician, elevator constructor, ironworker, steamfitter, pipefitter, and welder trades.
- New and redesigned federal immigration system aims at addressing skills shortages and reducing application processing times including a job-match function that can be a useful tool for job seekers in the U.S.
- Alberta is exploring opportunities with the U.S. military to improve the effectiveness of assessment of skills, knowledge and experience of former military personnel against Alberta certification standards.

## EDUCATION

- From 2010 to 2014, 1,556 foreign students from the U.S. were issued a permit to study in Alberta.
- Alberta post-secondary institutions have active relationships with many U.S. institutions.
- Alberta and the U.S. co-operate in a teacher exchange program for elementary and high school teachers.
- Alberta College of Art and Design is an international affiliate of the U.S.-based Association of Independent Colleges of Art and Design.
- Mount Royal University has agreements with Texas Christian University, West Virginia University and the University of Iowa.
- The University of Lethbridge currently has a student exchange agreement with Muskingum College in New Concord, Ohio.
- Southern Alberta Institute of Technology (SAIT) Polytechnic has developed student transfer relationships with the University of Wyoming, University of Texas (Austin), University of Houston, University of Montana, Montana State University (Havre), Northwood University and Embry-Riddle Aeronautical University.
- The University of Alberta works with the Canada-U.S. Fulbright Commission to attract outstanding faculty.
- The University of Alberta has MOU's and agreements with several U.S. institutions: University of Georgia, University of Colorado School of Law, University of Alaska, University of Montana, University of New Mexico and New Mexico State University, University of California, George Washington University and the Akron General Medical Center.
- The University of Calgary provides internships, student exchanges and graduate programs with the following institutions: Colorado School of Mines; University of Tennessee at Knoxville, National Student Exchange; and the Washington Center for Internships and Academic Seminars.

## TOURISM & CULTURE

- In November 2014, Alberta Culture and Tourism was an exhibitor at the North American Hotel Investment Conference in Chicago, Illinois.
- In 2012, Alberta hosted 817,000 person-visits from the U.S., with expenditures of \$615 million.
- California provided the largest number of overnight person-visits in 2011, at 122,000, followed by Texas at 64,000, Washington at 53,000, and Montana at 46,000.
- In 2005, Alberta provided \$5 million to the U.S. for Hurricane Katrina relief.

## RECENT VISITS/MISSIONS

- June 2015: Montana Governor Steve Bullock led a business delegation to Calgary, Alberta for the Global Petroleum Show.
- February 2015: former Premier Jim Prentice travelled to Washington, D.C., New York, and New Jersey for meetings with leaders in Congress and the financial sector.
- January 2015: former Premier Jim Prentice travelled to Houston, Texas to attend the opening of the Flanagan South pipeline opening and to meet with members of the energy industry.
- January 2015: Cal Dallas, MLA Red Deer-South, travelled to Austin, Texas for the Ports-to-Plains Alliance quarterly Board meeting and the Tenth Annual Texas Transportation Forum.
- January 2015: Alana DeLong, MLA Calgary-Bow, and Cathy Olesen, MLA Sherwood Park, undertook a mission to PNWER states including Idaho, Alaska, and Washington to meet with state legislators and officials.

## TRANSBOUNDARY COOPERATION

The Alberta government works as a partner with American states in a wide range of forums and organizations, including:

- Canadian/American Border Trade Alliance (Can/Am BTA)
- Council of State Governments (CSG)
- Council of State Governments Midwest (CSG Midwest)
- Council of State Governments West (CSG West)
- National Association of State Directors of Agriculture (NASDA)
- PNWER
- Ports-to-Plains Alliance (PTP)
- Western Association of State Highway & Transportation Officials (WASHTO)
- The Energy Council
- Western Governors' Association (WGA)
- Western Interstate Energy Board
- Western Legislative Forestry Task Force

## DIPLOMATIC REPRESENTATION

- His Excellency Bruce Heyman is the U.S. Ambassador to Canada in Ottawa.
- The Canadian Ambassador to the U.S. in Washington, D.C. is Gary Doer.
- The U.S. Consul General, located in Calgary is Peter Kujawinski.
- The Honourable Rob Merrifield is Alberta's Senior Representative to the U.S.

### For more information, contact:

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